

Court, however, may soon be asked to do this. Shortly after the FEC took a big bite out of BCRA through its rule-making process, Representatives SHAYS and MEEHAN filed a lawsuit challenging the regulations. This action is on a fast track in Federal District Court.

Since its inception, BCRA has been reviled by the political party establishments that decried the eminent demise of our two-party system. Yet in the midst of a hotly contested Presidential campaign, evidence suggests the opposite is true. Under BCRA, both the Democratic and Republican national parties are reporting a resurgence of grassroots support and significant increases in new hard money donors. In fact, recent figures show there have been 600,000 new hard money donors to the Democratic Party and 1 million new Republican hard money donors. That is what we intended.

The Court was right to uphold the new reform law. Implemented correctly, it will go a long way to restoring people's faith in our democratic system. That said, reform is not a one-time fight. We must continue the work to strengthen our democracy and reconnect the people to the political process. The adoption and Court sanction of BCRA enables Congress to push forward with important reforms that help improve our system of Government and reduce barriers to political participation.

It is critical that we ensure BCRA is not negated by widespread circumvention of the new law by the FEC and by outside political committees. While we are challenging FEC's implementing regulations, we must also act to restructure the commission so it will not only implement campaign finance laws effectively but actively enforce them.

The American political system needs an agency that will give effect to our campaign laws fairly and free from the partisan influence that currently dominates the commission structure. Without this key reform, no campaign finance reform law can work well.

We must fix the ailing Presidential public funding system. For many years, the system gave Americans a viable opportunity to run for our highest office and increased competition in our Presidential elections, but the system is now outdated and bankrupt. Senator FEINGOLD and I have introduced a proposal to fix it, and we are committed to educating the public about the importance of doing this and to building the coalition needed to make it happen.

Ongoing reform efforts are needed not only at the Federal level but also at the State level. Working at the State level, we can help to restore faith in the political process by improving contribution disclosure laws, promoting clean election programs, and encouraging an independent and non-corrupt campaign finance system.

To break down the barriers to political participation, we must improve

ballot access, promote open primaries, and fix the redistricting process.

This is not a partisan issue. It should not advantage one party over the other. What reform does is create transparency, equality, and participation, and inspire confidence in those we represent. The strength and real muscle in this fight lies with the American people. During the long battle in the Senate to pass campaign finance reform, we called on the American public to make their voices heard on Capitol Hill. They answered, and the impact was astounding. The phone calls, e-mails, and letters that flooded into Members' offices had a tremendous impact. Constituent communications translated into votes for reform.

Reform is an ongoing process. It didn't end with Teddy Roosevelt in 1907, and it will not end with JOHN MCCAIN and RUSS FEINGOLD in the Senate. I am very much a realist. From the beginning of this fight, I have said that as soon as the soft money loopholes addressed in BCRA were closed, there would be very smart people all over Washington trying to find ways around the law. I am sad to report these folks wasted no time in attempting to circumvent it again.

The recent creation of certain new organizations under section 527 of the Internal Revenue Code is the first broad-scale attempt to undermine BCRA.

Let me be clear on one thing. There are many legitimate 527 organizations whose method of operation is not in question here. They are nonpartisan. They work to do the things we want to further the goals of democracy. There are, however, some groups that have recently been set up for the sole purpose of raising or spending tens of millions of dollars in soft money to influence the 2004 Presidential and congressional elections.

Madam President, various groups have been created expressly to spend large sums of soft money on partisan voter mobilization drives and sham "issue advocacy" to influence Federal elections. These groups have as their overriding, if not sole purpose, the influencing of Federal elections.

Federal election law requires such groups to register as political committees with the FEC. Federal political committees may only accept and spend hard money—that is, money limited in amount and source. I will repeat that if a 527 is nonpartisan in nature, we have no problem. If a 527 is engaged in partisan activity, they then fall under the same restrictions that any other political committee does that is engaged in partisan activity. That should be obvious to the Federal Election Commission.

These new groups, however, which have made clear that their purpose is to influence Federal elections—they have not made any bones about it—have purportedly set up "non-Federal" accounts to accept corporate and labor union funds and large contributions

from individuals. They plan to use these moneys, we are told, to finance partisan voter drives and run sham issue ads aimed at influencing the 2004 Federal elections. This blatant end run around the campaign finance laws should not be tolerated.

When a political committee has an overriding purpose to influence Federal elections, it cannot be allowed to circumvent campaign finance laws by establishing a "non-Federal account" and claiming that the money being raised and spent to influence Federal elections is not for that purpose. These committees cannot be permitted to transform contributions that are clearly for the purpose of influencing Federal elections into "allowable soft money" simply by depositing those funds into "non-Federal accounts." These groups are clearly political committees that should be registered as such with the FEC and must operate accordingly within the hard money amount and source limitations.

After the success of *McConnell v. FEC*, we cannot sit idly by and allow this potentially massive circumvention of campaign finance laws. BCRA finally closed soft money loopholes and, again, new ones should not and cannot be tolerated. I am pleased to see that the FEC has recognized the immediate need to examine these soft money problems. I hope the Commission will not make the mistakes it has made in the past and will act swiftly and comprehensively to protect the integrity of our campaign finance laws.

Madam President, I also wish to comment on one of the things that happened. We have seen, in the last Presidential campaign, a dramatic reduction in negative campaign ads run by the various candidates. Why is that? It is because of an amendment that was added by the Senator from Maine, Ms. COLLINS, and the Senator from Oregon, Mr. WYDEN, which was called "stand by your ad," I believe. Guess what. Every time there is a message, the candidate says, I am so and so and I approve of this ad. They would not approve a lot of the trash put in and negative attacks, which has one effect, we all know, and that is drive down voter turnout. It has a very salutary effect.

I have to admit that I never thought of that in the 8 years Senator FEINGOLD and I looked at every aspect of campaign finance reform; we had not thought of that amendment. It has a marvelous positive affect, having the candidate say: I am so and so and I approve of this ad.

I also say there was a marvelous team that argued our case before the U.S. Supreme Court. I ask unanimous consent to have a list of names printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Lawrence H. Norton, Richard B. Bader, Stephen E. Hershkovitz, David Kolker, Theodore B. Olson, Peter D. Keisler, Paul D. Clement, Malcolm L. Stewart, Gregory G.